

**Minutes of Norton Radstock College Management Accounts Review Group  
Meeting held on Monday 2 March 2009 at 9.30am**

**Present:** Mr J Wilkinson (Chair)  
Mrs S Arayan (Principal)  
Ms J Barber (Finance Director)  
Mr P Hodgson (Corporate Director)  
Mr K Willcox

**In Attendance:** John Holland (Clerk)

**1. Apologies for absence**

None, all members present.

**2. Minutes of meeting held on 23 January 2009 for approval**

The meeting unanimously agreed to approve the Minutes.

**3. Matters arising**

The one action point was on tuition fees, which was covered in the update to forecast included in the papers.

**4. Update on cash flow position for discussion**

JB tabled the following papers:

- Detailed cash flow weekly for the months of February, March and April and monthly for January and April to July.
- Variance on Employer Responsiveness Funding September 2008 to February 2009.
- Notes on cash flow

JB went through the papers. The main problem on the cash flow had been the shortfall on Employer Responsiveness which, up to February 2009 was showing a shortfall of £286k.

The lowest week was forecast as being 13 March 2009. This will now change as we have received £128k from Bath Spa University in advance of the forecast date of 31 March.

The meeting agreed that the preferred approach would be to ask Barclays for an unsecured overdraft facility in preference to converting some capital into a lease; the lease option available to the end of July 2009.

PH updated the meeting on the ER in that the learner numbers were already up to profile for February and it is hoped to be able to add another 50

learners on top of this from the franchise, subject to receiving a unique employer reference number for them so that those learners can be entered onto the system by this week's cut off date. It is difficult at this stage to predict how the learners will convert into funding.

The College is awaiting an allocation under a new strand of funding, Train to Gain Capacity Building, which should be known within the next 2 weeks.

5. **Management Accounts for January 2009 for information, including updated forecast**

JB took the meeting through the accounts and the changes made to the forecast which were noted.

The forecast was still showing a break-even position for the year but with the reservation over the ER funding.

The meeting now discussed the issues surrounding next year's funding:

- The College is retendering for both the Prison and E2E and pre E2E work.
- The 16-18 provisional allocation looks good for next year with the final LSC allocations expected by the end of March.

The meeting concurred that it was difficult to look beyond July 2010 with a possible change of Government and the economic climate and increasing Government debt.

It was thought that the loss of learners being sent by employers would be offset by increasing numbers of unemployed looking for re-skilling in terms of ER funding.

It was thought appropriate to do the Governors Strategic Planning Day in late April when the final allocation figures are known.

The LSC was receiving an interim report from Lord Foster at the Capital meeting on 4 March. There was concern that regeneration based projects would be prioritised or grants would be phased over longer periods which would put our project at risk.

There being no further business, the meeting closed at 10.15am.